

ORIGINAL

EX PARTE OR LATE FILED



Ann D. Berkowitz
Project Manager – Federal Affairs

1300 I Street, NW
Suite 400 West
Washington, DC 20005
(202) 515-2539
(202) 336-7922 (fax)

February 4, 2003

Ex Parte

RECEIVED

FEB - 4 2003

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Application by Verizon Maryland, Verizon Washington, DC and Verizon West Virginia for Authorization To Provide In-Region, InterLATA Services in States of Maryland, Washington, DC and West Virginia. WC Docket No. 02-384 - REDACTED

Dear Ms. Dortch:

At the request of staff, Verizon provides this further information regarding the National ALEC Association's claims that Verizon discriminates against Maryland resellers by failing to provide them with the same number of free directory assistance calls each month that Verizon provides to its retail customers. National ALEC is wrong on both the facts and the law.

To support its claim, National ALEC points to a few other Verizon states where Verizon provides resellers with the same monthly allowance of free directory assistance calls as it provides to retail customers. But as demonstrated below, Verizon does not provide resellers in Maryland with a monthly allowance of free directory assistance calls because the Maryland PSC adopted a wholesale discount with a rate structure that is different from those in the other Verizon states. Once these differences in rate structure **are** taken into account, it is clear that Verizon is satisfying its resale obligations in Maryland, including with respect to directory assistance service.

By way of background, when a reseller obtains service from Verizon, it has the option of obtaining directory assistance service from Verizon, or providing that service itself. In all states in the former Bell Atlantic service area other than Maryland, the state commission has established different wholesale discounts for these two scenarios. That is, states have set one discount for resellers who use Verizon's directory assistance, and another discount for resellers who provide their own directory assistance. This two-tiered structure stems from the fact that the Act requires state commissions to establish wholesale rates based on the portion of incumbent carriers' retail rates "that will be avoided by the local exchange carrier." See 47 U.S.C.

REDACTED - FOR PUBLIC INSPECTION

List ABCDE

rec'd 04/1

§ 252(d)(3). When Verizon provides directory assistance on behalf of a reseller, it avoids fewer costs than when the reseller provides directory assistance itself. In recognition of this fact, states have established smaller wholesale discounts for resellers that take Verizon's directory assistance than the discounts applied to CLECs that provide directory assistance themselves or purchase it from other providers.

In most states in the former Bell Atlantic region, a reseller that receives the larger discount is not eligible for any directory assistance call allowances because they are responsible for providing the directory assistance service themselves. Attachment 1 contains a list of the current two-tier wholesale discounts in each of the former Bell Atlantic states. As demonstrated by this list, every other state in the former Bell Atlantic region has a two-tier discount structure and applies the larger wholesale discount to carriers that provide their own directory assistance service and the smaller discount to carriers that receive Verizon's free call allowance.

Unlike the other states in the former Bell Atlantic region, including all the ones cited by National ALEC (Delaware, New Jersey, Pennsylvania and the District), the Maryland PSC has established only one wholesale discount for resellers, regardless of whether they purchase directory assistance from Verizon or provide it themselves. Specifically, the PSC rejected the dual discount approach that had been proposed by staff as well as by some of the parties. Instead, the PSC adopted the larger 19.87 percent discount that the staff had proposed (which assumed that the reseller would provide its own directory assistance), and rejected the smaller 16.63 percent discount proposed by the staff (which assumed that Verizon provided the directory assistance). *See In the Matter of the Petitions for Approval of Agreements and Arbitration & Unresolved Issues Arising Under Section 252 & the Telecommunications Act of 1996*, Case No. 8731, November 8, 1996 at 28, MD-Appendix E, Vol. 5, Tab 24. The PSC reasoned that rather than permitting Verizon to recoup the costs of providing directory assistance and operator services by reducing the size of the wholesale discount, that "the provision of operator and directory assistance services should be a separately tariffed charge that Bell Atlantic may impose upon other carriers who require such services." *Id.* at 29.

The PSC ordered Verizon to develop and file a tariff containing separate charges for directory assistance services, *id.* at 29, which Verizon did. Under that tariff, resellers must pay \$0.25 per call to resell Verizon's residential directory assistance service. *See* Maryland P.S.C. Resale Directory Assistance Tariff No 201, Section 7A, B.4, MD-Appendix Q, Vol. 1, Tab 4. The Maryland PSC approved Verizon's tariff and explicitly rejected the request that Verizon be required to provide a **free** directory assistance call allowance to resellers. *See Roberts/Johns/Given/Garzillo/Prosini/Sanford Reply Decl.*, Att. 1. (October 24, 1997 Letter from Daniel P. Gahagan of the Maryland PSC to David K. Hall of Verizon Maryland.) No carrier challenged the legality of that decision in court.

The Maryland PSC's decision to adopt a single wholesale discount and not to permit a **free** call allowance for resellers is consistent with Section 251(c)(4) of the Act as well as with Section 252(d)(3), which requires state commissions to establish wholesale discounts based on a local exchange carrier's avoided costs. The rate structure chosen by the Maryland PSC does so by giving resellers a discount that is larger than the costs that will actually be avoided where Verizon provides directory assistance, and establishing a separate charge for each directory assistance call that a reseller's customer makes. Indeed, if anything, the discount for lines that

include Verizon's directory assistance service is greater than they would receive under a two-tier discount structure such as that adopted in other states. *See* Attachment 1. Moreover, the fact that the Maryland PSC chose to provide the wholesale discount for directory assistance calls in the form of a larger wholesale discount that applies across the board for *all* resellers is a rate structure issue, and the FCC has repeatedly *left* questions of rate structure to the state commission's discretion. *See, e.g., New Jersey Order ¶ 72; Virginia Order ¶ 92; Maine Order ¶ 29.*

Moreover, resellers using Verizon's residential directory assistance service *are* actually better off receiving the 19.87 percent discount with no free residential directory assistance calls than they would have been had the Maryland PSC adopted the 16.63 percent discount (which staff proposed for resellers using Verizon's directory assistance service) and permitted them to have the free call allowance. Retail and resale residential customers in Maryland make on average 2 directory assistance calls a month. The per call rate for directory assistance is \$0.25 per call for both retail customers (for any calls that exceed the *free* call allowance) and resellers. As outlined in Attachment 2, Verizon's average customer generates ******* in retail residential revenues that are subject to the resale discount. A reseller would pay ******* with a 19.87 percent discount, and ******* with a 16.63 percent discount. The differential between the amounts the reseller would pay applying each discount is approximately *******. This means that under the current framework, which requires resellers to pay \$0.25 for each residential directory assistance call, resellers taking the average residential customer would pay approximately \$0.50 per month for residential directory assistance calls. This is less than the ******* they are saving by virtue of getting the 19.87 percent discount.

It makes sense to perform this analysis starting with Verizon's average retail residential revenues including vertical features because the reseller is getting the larger discount on that entire amount. In an analogous situation, AT&T has acknowledged that the starting point for determining retail revenues should include vertical features. *See Supplemental Declaration of Michael Lieberman On Behalf of AT&T*, Exhibit A, September 10, 2002, in the *Application by Verizon New England, Inc., Verizon Delaware, Inc. for Authorization to Provide In-Region, InterLATA Services in New Hampshire and Delaware.*

The staff also asked Verizon what the basic service rate was for retail residential and business lines. Attachment 3 contains Verizon's Maryland retail local exchange services tariff. As indicated in the tariff, basic residential rates have two components: the line rate and *the* usage rate. These two components have to be viewed in combination because under the tariff, residential "dial tone lines are available *only in conjunction with* a local calling service monthly usage option except for economy lines." MD Tariff No. 202 at 19 (emphasis added). (Purchase of an economy line requires the customer to pay for their usage on a per call *or* per minute basis.)

The retail residential dial tone rate in Rate Zone A is \$6.11 and in Rate Zone B is \$7.96. Approximately ******* percent of retail residential customers in Maryland choose the flat rated unlimited usage plan. The flat rated unlimited usage plan costs \$10.15 in Rate Zone A1, \$10.65 in Rate Zone A2, \$7.05 in Rate Zone B1, and \$7.55 in Rate Zone B2. The basic service rate for retail business lines is \$13.34 for an individual line in Rate Zone A, and \$15.76 for an individual line in Rate Zone B. Flat rate usage plans are not available for business lines.

Marlene H. Dortch
February 4, 2003
Page 4

Any analysis to determine whether a reseller using Verizon's directory assistance is better off under the Maryland rate structure by looking only at basic service should include the flat rated usage package because, as explained above, approximately *****percent of Maryland retail residential customers have that plan. On a statewide average, the retail residential revenue from dial tone service plus unlimited usage is approximately *****. Applying the rate structure adopted by **the** Maryland PSC to this average monthly basic service charge demonstrates that a reseller that uses Verizon's directory assistance service is better off under the Maryland rate structure than it would be if the PSC had adopted the smaller discount and provided a free call allowance.

As demonstrated in Attachment 4, a reseller would pay ***** with a \$19.87 percent discount, and ***** with a 16.63 percent discount. The differential between the amounts the reseller would pay applying each discount is approximately *****. This means that if resellers received the smaller discount, but received a free call allowance – resellers would be slightly worse off (by \$.03) - if the PSC had adopted a two-tier discount structure than they are under the current structure.

Therefore, even though vertical features should be included in any analysis comparing how resellers fare under the two wholesale discount scenarios, as discussed above, there is still no practical effect under **the** analysis counting only the basic dial tone line and usage.

This ex parte contains proprietary information and has been redacted. A confidential version is also being filed. Please let me know if you have any questions. The twenty-page limit does not apply as set forth in DA 02-3511.

Sincerely,



Attachments

cc: G. Cohen
G. Gooke
G. Remondino
V. Schlesinger

Verizon Resale Discounts

State	With Verizon Business and Operational Service		Without Verizon Business and Operational Service	
	Business	Residence	Business	Residence
Connecticut	19.10%	19.10%	21.70%	21.70%
Delaware	16.00%	16.00%	20.00%	20.00%
Maine	23.76%	19.80%	25.74%	23.03%
Massachusetts	24.99%	24.99%	29.47%	29.47%
New Hampshire	18.78%	17.30%	20.25%	19.04%
New Jersey	17.04%	17.04%	20.03%	20.03%
Pennsylvania	23.43%	23.43%	25.69%	25.69%
Rhode Island	14.26%	17.87%	16.38%	18.82%
Vermont	26.01%	18.20%	27.66%	20.43%
Virginia	18.50%	18.50%	21.30%	21.30%
West Virginia	15.05%	15.05%	17.84%	17.84%

REDACTED – FOR PUBLIC INSPECTION

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 1

LOCAL EXCHANGE SERVICE

A. GENERAL

The regulations and rates contained herein are applicable to various local exchange telephone services furnished within each exchange in Maryland including all zones of the Baltimore Metropolitan Exchange Area (BMEA) and the Maryland zones of the Washington Metropolitan Exchange Area (WMEA).

B. REGULATIONS

1. Shared Tenant Services

a. Explanation of Terms

Shared Tenant Services

Shared Tenant Services (STS) means the offering by an entity other than the Telephone Company of the Telephone Company's local exchange telecommunications services to others.

STS Area

STS Area means a geographic area within which an STS Provider may offer STS. An STS Area must be continuous, but, if otherwise contiguous, may be crossed by public rights of way.

STS Patron

STS Patron means a person or entity within an STS Area which obtains local exchange telecommunications services from an STS Provider.

STS Provider

STS Provider means an entity which provides STS to STS Patrons within an STS Area.

Intercommunication

Intercommunication is an arrangement whereby two or more stations within the same system and associated with exchange service may communicate with each other without the use of exchange or long distance facilities.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc

Section 2
Original Page 2

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

1. Shared Tenant Services (Cont'd)

b. Use of STS

- (1) **An** STS Provider may offer the Telephone Company's telecommunications services, facilities and/or equipment to others, subject to the terms and conditions set forth following.
- (2) **An** STS Provider shall offer services under long term agreements (e.g., month-to-month) with its STS Patrons.
- (3) **An** STS Provider may use the services it offers to its STS Patrons, but is not required to do so.
- (4) Except as provided in (7) following, an STS Provider shall be the customer of record for itself and all STS Patrons within an STS Area. The STS Provider shall pay in full and when due all Telephone Company charges incurred either on its own behalf or on behalf of its STS Patrons.
- (5) **An** STS Provider may offer services only within an STS Area. The property within an STS Area must be under common ownership or management at the time STS is first offered within it. Subsequent changes in ownership or management or property within an STS Area shall not require the discontinuance of STS within that STS Area. A single STS Provider may serve more than one STS Area, but each STS Area must be served by a separate STS system. Such separate STS systems may not be interconnected by the use of tie trunks or any other means. This provision, however, shall not be interpreted to preclude an STS Provider from transmitting long distance traffic or administrative data, signaling, or stored voice messages between STS Areas.
- (6) **An** STS Provider shall configure each system so that intercommunication between unaffiliated STS Patrons is not possible. This provision shall not apply to STS systems located on airports.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 3

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

1. Shared Tenant Services (Cont'd)

b. Use of STS (Cont'd)

- (7) An STS Patron may designate the STS Provider as its agent for purposes of ordering tie trunks, Channel Services, off-premises extensions, foreign exchange lines, and similar services. An STS Provider acting as an agent for an STS Patron pursuant to this paragraph shall be responsible for all charges incurred for the services in question. In all cases in which an STS Patron orders such a service through an STS Provider, the STS Provider shall configure its system so that the service may be used only by the individual STS Patron. Resale of services ordered by an STS Provider as agent for an STS Patron is not permitted, and use of any such service by anyone other than the STS Patron for whom the service is ordered shall constitute a violation of this paragraph by the STS Provider.
- (8) In the event that an STS Provider fails to comply with the requirements of paragraphs (5), (6) or (7) preceding, any Telephone Company services connected to the STS Provider's system and being used in violation of this tariff may be terminated. Any such termination shall be in accordance with the Violation of Regulations provision in the Connection with Telephone Company Facilities Tariff, Section 1. The Telephone Company shall not be required to establish such service or services until and unless the STS Provider has sought and obtained approval from the Maryland Public Service Commission for such reestablishment.
- (9) An STS Provider must not interfere with the right of any person or entity located within an STS Area to obtain service directly from the Telephone Company, and shall inform or cause to be informed all such persons or entities to which the STS Provider offers service of their option to do so. No person or entity located within an STS Area shall be required to make any payment, incur any penalty, monetary or otherwise, or purchase any services in order to have the right to obtain service directly from the Telephone Company.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc

Section 2
Original Page 4

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

1. Shared Tenant Services (Cont'd)

b. Use of STS (Cont'd)

(10) To the extent that either the Telephone Company or an STS Provider exercises control over available cable pairs, conduit, duct space, raceways, or other facilities needed by the other to reach a person or entity within an STS Area, the party exercising such control shall make them available to the other on terms equivalent to those under which the Telephone Company makes similar facilities under its control available to its customers. At the reasonable request of either party, the Telephone Company and the STS Provider shall jointly attempt to obtain from the owner of the property access for the other party to serve a person or entity within the STS Area.

(11) An STS Provider serving an STS Area located on an airport may interconnect its system with other entities located on the same airport to allow intercommunication between the STS Provider's STS Patrons and those other entities.

2. Pay Telephone Lines are provided as specified in Section 4D of this Tariff.

3. Multizone Exchanges

a. The BMEA embraces Baltimore and certain suburban areas. The BMEA comprises zones designated as follows: Arbutus, Armiger-Gibson Island, Baltimore, Brooklyn Park-Linthicum, Catonsville, chase, Cockeysville, Dundalk, Elkridge, Ellicott City, Essex, Fork, Glen Burnie, Parkville, Pikesville, Randallstown, Reisterstown, Severn, Severna Park, Sparrows Point, Towson, Waterloo and Woodlawn.

b. The WMEA embraces the District of Columbia and certain suburban areas in Maryland and Virginia. The WMEA comprises zones designated as follows: Alexandria-Arlington, Va.; ~~Berwyn~~, Md.; Bethesda, Md.; Bowie-Glenn Dale, Md.; Capitol Heights, Md.; Clinton, Md.; Fairfax-Vienna, Va.; Falls Church-McLean, Va.; Hyattsville, Md.; Kensington, Md.; Layhill, Md.; Marlboro, Md.; Oxon Hill, Md.; Rockville, Md.; Silver Spring, Md., and Washington, D.C.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C. -Md. -No. 202

Verizon Maryland Inc.

Section 2
Original Page 5

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Aberdeen	B,B2	Aberdeen, Bel Air, Churchville, Darlington, Edgewood, Fallston, Havre de Grace, Perryville and Port Deposit exchanges, and the Fork zone.
Annapolis	B,B2	Annapolis, Crofton, Millersville, Odenton, Sherwood Forest and West River exchanges, and the Armiger-Gibson Island, Brooklyn Park-Linthicum, Glen Burnie, Severn and Severna Park zones.
Arbutus Zone	A,A1	All zones of the BMEA and the Columbia and Sykesville exchanges.
Armiger-Gibson Island zone	A,A1	All zones of the BMEA and the Annapolis exchange
Ashton	A,A2	Awhton, Columbia, Damascus, Gaithersburg, Glenwood and Laurel exchanges, and the Berwyn, Bethesda, Hyattsville, Kensington, Layhill, Rockville, Silver Spring and Washington, D.C., zones. In addition, telephones in the Ellicott City Zone are included in the exchange area of telephones bearing the central office description of 854 of the Ashton Exchange.
Baltimore Zone	A,A1	All zones of the BMEA and the Columbia, Fallston, Sparks-Glsncoe, Sykesville and Worthington exchanges.
Bel Air	B,B2	Bel Air, Aberdeen, Cardiff, Churchville, Darlington, Edgewood, Fallston, Havre de Grace and Jarrettsville exchanges, and the Fork, Parkville and Towson zones
Berlin	B,B2	Berlin, Bishopville, Ocean City, Pocomoke, Salisbury, Snow Hill and Willards.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C. - Md. - No. 202

Verizon Maryland Inc.

Section 2
Original Page 6

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Berwyn Zone	A, A2	All zones of the WMEA and the Ashton, Columbia, Crofton and Laurel exchanges. In addition, telephone services bearing the central office designations 410-724, 792, 797, 813, 862 and 880 of the Waterloo zone are also included in the exchange area of customers with telephone services bearing the central office designation 301-206, 369, 419, 886 and 953 of the Berwyn zone.
Bethesda Zone	A, A2	All zones of the WMEA and the Ashton, Damascus, Gaithersburg and Laurel exchanges.
Bishopville	B, B2	Bishopville, Berlin, Ocean City, Salisbury, Selbyville, Del., Snow Hill and Willards.
Bitteringer	B, B1	Bitteringer, Friendsville-Accident, Grantsville, Lonaconing, Oakland, and Westernport.
Bowie-Glenn Dale Zone	A, A2	All zones of the WMEA and the Crofton, Laurel, Millersville, Odenton and West River exchanges. In addition, telephone services bearing the central office designations 410-519 or 551 of the Severn zone and 410-793 of the Severna Park zone are also included in the exchange area of customers with telephone services bearing the central office designations 301-261, 621, 677, 858 , 912 or 970 of the Bowie-Glenn Dale zone.
Brandywine	B, B2	Brandywine, Hughesville and Waldorf exchanges, and the Capitol Heights, Clinton, Marlboro and Oxon Hill zones.
Brooklyn Park-Linthicum Zone	A, A1	All zones of the WMEA and the Annapolis, Columbia, Millersville, Odenton, Sherwood Forest and Sykesville exchanges.
Brunswick	B, B2	Brunswick, Buckeystown, Frederick, Keedysville and Middletown.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc

Section 2
Original Page 7

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Buckeystown	B,B1	Buckeystown, Brunswick, Frederick, New Market and Poolesville
Cambridge	B,B1	Cambridge, Hurlock, Oxford, St. Michaels, Tilghman, Trappe, Vienna and Wingate.
Capitol Heights Zone	A,A2	All zones of the WMEA and the Brandywine, Indian Head, Laurel, Waldorf and West River exchanges.
Cardiff	B,B1	Bel Air, Cardiff, Darlington, Delta, Pa., Pawn Grove, Pa., Jarrettsville and Port Deposit,
Catonsville Zone	A,A1	All zones of the BMEA and the Columbia, Glenwood, Laurel and Sykesville exchanges.
Cecilton	B,B1	Cecilton, Chesapeake City, Elkton, Galena, Still Pond and Warwick.
Centreville	B,B1	Centreville, Chestertown, Church Hill, Easton, Greensboro, Hillsboro, Queenstown, Ridgely, Rock Hall, Stevensville and Sudlersville.
Chase Zone	A,A1	All zone of the BMEA and the Edgewood exchange.
Chesapeake City	B,B1	Cecilton, Chesapeake City, Elkton and Warwick.
Chestertown	B,B1	Centerville, Chestertown, Church Hill, Galena, Millington, Rock Hall, Still Pond and Sudlersville
Church Hill	B,B1	Centerville, Chestertown, Church Hill, Millington and Sudlersville.
Churchville	B,B1	Aberdeen, Bel Air, Churchville, Darlington, Edgewood, Fallston, and Havre de Grace.
Clear Spring	B,B1	Clear Spring, Hagerstown, Hancock and Williamsport.
Clinton Zone	A,A2	All zones of the WMEA and the Brandywine and Waldorf exchanges.
Cockeysville Zone	A,A1	All zones of the BMEA and the Xampstead, Jarretts-Jarrettsville, Parkton, Sparks-Glencoe, Sykesville and Worthington exchanges.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C. - Md. - No. 202

Verizon Maryland Inc

Section 2
Original Page 8

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Columbia	A,A1	Ashton, Columbia, Glenwood and Laurel exchanges and the Arbutus, Baltimore, Berwyn , Brooklyn Park-Linthicum, Catonsville, Elkridge, Ellicott City, Glen Burnie, Layhill, Pikesville, Randallstown. Silver Spring, Towson, Waterloo and Woodlawn zones.
Crisfield	B,B2	Crisfield, Marion, Pocomoke , Princess Anne, Salisbury and Smith Island.
Crofton	B,B2	Annapolis, Crofton, Millersville, Odenton, Sherwood Forest and West River exchanges, and the Berwyn , Bowie-Glenn Dale, Glen Burnie, Hyattsville, Severn and Severna Park zones.
Cumberland	B,B1	Cumberland, Flintstone-Oldtown, Frostburg, Grantsville, Hewitt, Pa., Lonaconing, McCoo le, Mt. Savage, Ridgeley, W. Va., State Line, Pa., Wellersburg, Pa., and Westerport.
Damascus	A,A1	Ashton, Damascus, Frederick, Gaithersburg, Glenwood, Mt. Airy and New Market exchanges, and the Eethesda, Kensington, Layhill, Rockville and Silver Spring zones.
Darlington	B,B1	Aberdeen, Bel Air, Cardiff, Churchville, Darlington, Havre de Grace and Port Deposit.
Deal Island	B,B2	Deal Island, Nanticoke, Princess Anne, Salisbury, Smith Island and Vienna.
Delmar	B,B1	Delmar, Del., Delmar, Md., Laurel, Del., Nanticoke, Salisbury, Sharptown and Willards.
Denton	B,B1	Denton, Easton, Federalsburg, Greensboro, Hillsboro, Preston and Ridgely.
Dundalk Zone	A,A1	All zones of the BMEA and the Edgewood exchange.
Easton	B,B1	Centreville, Denton, Easton, Federalsburg, Greensboro, Hillsboro, Oxford, Preston , Queenstown, Ridgely, St. Michaels, Stevensville, Tilghman and Trappe.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 9

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Edgewood	B,B2	Aberdeen, Bel Air, Churchville, Edgewood, Fallston and Havre de Grace exchanges, and the Chase, Dundalk, Essex, Fork, Parkville, Sparrows Point and Towson zones.
Elkridge Zone	A,A1	All zones of the BMEA and the Columbia, Laurel, Odenton and Sykesville exchanges.
Elkton	B,B1	Cecilton, Chesapeake City, Elkton, North East, Perryville, Port Deposit and Warwick.
Ellicott City Zone	A,A1	All zones of the BMEA and the Columbia, Glenwood, Laurel and Sykesville exchanges. In addition, telephones bearing the central office designation of 854 of the Ashton exchange are included.
Emmitsburg	B,B2	Emmitsburg, Fairfield, Pa., Frederick, Highfield and Thurmont.
Essex zone	A,A1	All zones of the BMEA and the Edgewood exchange.
Fallston	A,A1	Aberdeen, Bel Air, Churchville, Edgewood, Fallston, Havre de Grace and Jarrettsville exchanges, and the Baltimore, Fork, Parkville and Towson zones.
Federalsburg	B,B1	Denton, Easton, Federalsburg, Hurlock, Preston and Sharptown.
Flintstone-Oldtown	B,B1	Cumberland, Flintstone-Oldtown, Hancock, Hewitt, Pa., Ridgely, W. Va., and State Line, Pa.
Fork Zone	A,A1	All zones of the BMEA and the Aberdeen, Bel Air, Edgewood, Fallston, Jarrettsville and Sparks-Glencoe exchanges.
Frederick	B,B2	Brunswick, Buckeystown, Damascus, Emmitsburg, Frederick, Middletown, Mt. Airy, Myersville, New Market, Thurmont. Union Bridge and Walkersville.
Friendsville-Accident	B,B1	Bittering, Friendsville-Accident, Grantsville and Oakland
Frostburg	B,B1	Cumberland, Frostburg, Grantsville, Lonaconing, Mt. Savage and Wellersburg, Pa.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 10

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Gaithersburg	A,A1	Ashton, Damascus, Gaithersburg and Poolesville exchanges and the Bethesda, Kensington, Layhill, Rockville, Silver Spring and Washington, D.C.. zones.
Galena	B,B1	Cecilton, Chestertown, Galena, Millington, Still Pond and Warwick.
Glen Burnie Zone	A,A1	All zones of the BMEA and the Annapolis, Columbia, Crofton, Laurel, Millersville, Odenton, Sherwood Forest and Sykesville exchanges.
Glenwood	B,B2	Ashton, Columbia, Damascus, Glenwood, Mt. Airy and Sykesville exchanges and the Catonsville, Ellicott City, and Woodlawn zones.
Grantsville	B,B1	Bittinger, Cumberland, Friendsville-Accident, Frostburg, Grantsville, Lonaconing, Mt. Savage and Salisbury, Pa.
Greensboro	B,B1	Centerville, Denton, Easton, Greensboro, Hillsboro, Ridgely and Sudlersville.
Hagerstown	B,B1	Clear Spring, Hagerstown, Hancock, Keedysville, Falling Waters, W.Va., Myersville, Smithsburg and Williamsport.
Hampstead	B,B2	Hampstead, Parkton, Silver Run, Sparks-Glencoe, Westminster and Worthington exchanges, and the Cockeysville, Pikesville, Reisterstown, Towson zones.
Hancock	B,B2	Berkeley Springs, W. Va., Clear Spring, Flintstone-Oldtown, Hagerstown, Hancock. Needmore, Pa., and Warfordsburg, Pa.
Havre de Grace	B,B1	Aberdeen, Bel Air. Churchville, Darlington, Edgewood, Fallston, Havre de Grace, Perryville and Port Deposit.
Highfield	B,B1	Blue Ridge Summit, Pa., Emmitsburg, Highfield, Myersville, Smithsburg, Thurmont and Waynesboro, Pa.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C. - Md. - No. 202

Verizon Maryland Inc

Section 2
Original Page 11

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Hillsboro	B, B1	Centreville, Denton, Easton, Greensboro, Hillsboro, Ridgely and Queenstown.
Hughesville	B, B1	Brandywine, Hughesville, La Plata, Mechanicsville, Tompkinsville and Waldorf.
Hurlock	B, B1	Cambridge, Federalsburg, Hurlock, Preston, Sharptown, Trappe and Vienna.
Hyattsville Zone	A, A2	All zones of the WMEA and the Ashton, Crofton, Laurel and West River exchanges.
Indian Head	B, B2	Indian Head, La Plata, Nanjemoy and Waldorf exchanges, and the Capitol Heights and Oxon Hill zones.
Jarrettsville	B, B2	Bel Air, Cardiff, Fallston, Jarrettsville, Parkton and Sparks-Glencoe exchanges, and the Cockeysville, Fork, Parkville and Towson zones. Further, the Stewartstown, Pa., and Fawn Grove, Pa., exchanges are included in the exchange area of dial tone lines of the Jarrettsville Exchange bearing the central office designation 941, which is no longer offered and will be provided only to existing customers at the same location.
Keedysville	B, B2	Brunswick, Hagerstown, Keedysville, Middletown, Myersville and Williamsport.
Kensington Zone	A, A2	All zones of the WMEA and the Ashton, Damascus, Gaithersburg and Laurel exchanges.
Kitzmiller	B, B1	Elk Garden, W. Va., Kitzmiller, Oakland and Westernport.
La Plata	B, B1	Hughesville, Indian Head, La Plata, Mechanicsville, Nanjemoy, Tomkinsville and Waldorf.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 12

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and zones Included in Exchange Area</u>
Laurel	A, A2	Ashton, Columbia, Laurel, Millersville and Odenton exchanges, and the Berwyn, Bethesda, Bowie-Glenn Dale, Capitol Heights, Catonsville, Elkridge, Ellicott City, Glen Burnie, Hyattsville, Kensington, Layhill, Marlboro, Severn, Silver Spring, Washington, D.C., and Waterloo zones.
Layhill Zone	A, A2	All zones of the WMEA and the Ashton, Columbia, Damascus, Gaithersburg and Laurel exchanges.
Leonardtwn	B, B1	Leonardtwn, Lexington Park-Great Mills, Mechanicsville, Ridge and Tompkinsville.
Lexington Park-Great Mills	B, B1	Leonardtwn, Lexington Park-Great Mills, Mechanicsville, Ridge and Solomons.
Lonaconing	B, B1	Bittinger, Cumberland, Frostburg, Grantsville, Lonaconing, McCooles, and Westernport.
Marion	B, B2	Crisfield, Marion, Pocomoke, Princess Anne and Salisbury.
Marlboro zone	A, A2	All zones of the WMEA and the Brandywine, Laurel, North Beach and West River Exchanges
McCooles	B, B1	Cumberland, Keyser, W. Va., Lonaconing, McCooles, Piedmont, W. Va., and Westempore.
Mechanicsville	B, B1	Hughesville, La Plata, Leonardtown, Lexington Park-Great Mills, Mechanicsville and Tompkinsville.
Middletown	B, B1	Brunswick, Frederick, Keedysville, Middletown and Myersville.
Millersville	B, B2	Annapolis, Crofton, Laurel, Millersville, Odenton and Sherwood Forest exchanges, and the Bowie-Glenn Dale, Brooklyn Park-Linthicum, Glen Burnie, Severn, Severna Park and Waterloo zones.
Millington	B, B1	Chestertown, Church Hill, Galena, Millington, Still Pond, Sudlersville, and Warwick.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc

Section 2
Original Page 13

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Mt. Airy	B,B2	Damascus, Frederick, Glenwood, Mt. Airy, New market and Sykesville.
Mt. Savage	B,B1	Cumberland, Frostburg, Grantsville, Mt. Savage and Wellersburg, Pa.
Myersville	B,B2	Frederick, Hagerstown, Highfield, Keedysville, Middletown, Myersville, Smithsburg and Thurmont.
Nanjemoy	B,B1	Indian Head, La Plata, Nanjemoy and Waldorf.
Nanticoke	B,B1	Deal Island, Delmar, Nanticoke, Princess Anne, Salisbury and Vienna.
New Market	B,B1	Buckeystown, Damascus, Frederick, Mt. Airy and New Market.
New Windsor	B,B1	New Windsor, Sykesville, Union Bridge and Westminster.
North Beach	B,B1	North Beach, Prince Frederick, Solomons and West River exchanges and the Marlboro zone.
North East	B,B1	Elkton, North East, Perryville and Port Deposit
Oakland	B,B1	Bittinger, Friendsville-Accident, Gorman, W. Va., Kitzmiller, Oakland and Westernport.
Ocean City	B,B2	Berlin, Bishopville, Ocean City, Salisbury, Snow Hill and Willards.
Odenton	B,B2	Annapolis, Crofton, Laurel, Millersville, Odenton and Sherwood Forest exchanges, and the Bowie-Glenn Dale, Brooklyn Park-Linthicum, Elkridge, Glen Burnie, Severn, Severna Park and Waterloo zones.
Oxford	B,B1	Cambridge, Easton, Oxford, St. Michaels and Trappe.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.,-No. 202

Verizon Maryland Inc.

Section 2
Original Page 14

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Oxon Hill Zone	A,A2	All zones of the WMEA and the Brandywine, Indian Head and Waldorf exchanges.
Parkton	B,B2	Hampstead, Jarrettsville, Parkton and Sparks-Glencoe exchanges, and the Cockeysville and Towson zones.
Parkville Zone	A,A1	All Zones of BMEA and the Bel Air, Edgewood, Fallston, Jarrettsville and Sparks-Glencoe exchanges.
Perryville	B,B1	Aberdeen, Elkton, Havre de Grace, North East, Perryville and Port Deposit.
Pikesville Zone	A,A1	All zones of the BMEA and the Columbia, Hampstead, Sykesville, Westminster and Worthington exchanges.
Pocomoke	B,B2	Berlin, Crisfield, Marion, Pocomoke, Princess Anne, Salisbury, Snow Hill and Temperanceville, Va.
Poolesville	B,B2	Buckeystown, Gaithersburg and Poolesville exchanges and the Rockville zone.
Port Deposit	B,B1	Aberdeen, Cardiff, Darlington, Elkton, Havre de Grace, North East, Perryville and Port Deposit.
Preston	B,B1	Denton, Easton, Federalsburg, Hurlock, Preston and Trappe.
Prince Frederick	B,B1	North Beach, Prince Frederick and Solomons
Princess Anne	B,B1	Crisfield, Deal Island, Marion, Nanticoke, Pocomoke, Princess Anne, Salisbury, Smith Island and Snow Hill.
Queenstown	B,B1	Centreville, Easton, Hillsboro, Queenstown, Rock Hall, St. Michaels and Stevensville.
Randallstown Zone	A,A1	All zones of the BMEA and the Columbia, Sykes-Sykesville and Worthington exchanges.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 15

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Reisterstown Zone	A,A1	All zones of the BMEA and the Hampstead, Sparks- Glencoe, Sykesville, Westminster and Worthington exchanges.
Ridge	B,B1	Leonardtwn, Lexington Park-Great Mills and Ridge.
Ridgely	B,B1	Centreville, Denton, Easton, Greensboro, Hillsboro and Ridgely.
Rock Hall	B,B1	Centreville, Chestertown, Queenstown, Rock Hall, and Stevensville
Rockville Zone	A,A2	All zones of the WMEA and the Ashton, Damascus, Gaithersburg and Poolesville exchanges.
St. Michaels	B,B1	Cambridge, Easton, Oxford, Queenstown, St. Michaels, Stevensville and Tilghman.
Salisbury	B,B2	Berlin, Bishopville, Crisfield, Deal Island, Delmar, Del., Delmar, Md., Marion, Nanticoke, Ocean City, Pocomoke, Princess Anne, Salisbury, Sharptown, Snow Hill, Vienna and Willards.
Severn Zone	A,A1	All zones of the BMEA and the Annapolis, Crofton, Laurel, Millersville, Odenton and Sherwood Forest exchanges. In addition, telephones bearing the central office designation 301-261, 621, 677, 858 , 912 and 970 of the Bowie-Glenn Dale zone are also included in the exchange area of customers with telephones bearing the central office designations 410-519 and 551 of the Severn zone.
Severna Park Zone	A,A1	All zones of the BMEA and the Annapolis, Crofton, Millersville, Odenton and Sherwood Forest exchanges. In addition, telephones bearing the central office designation 301-261, 621, 677, 858 , 912 and 970 of the Bowie-Glenn Dale zone are also included in the exchange area of customers with telephones bearing the central office designation 410-793 of the Severna Park zone.
Sharptown	B,B1	Delmar, Del., Delmar, Md., Federalsburg, Hurlock, Salisbury, Sharptown and Vienna.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 16

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Sherwood Forest	B,B2	Annapolis, Crofton, Millersville, Odenton and Sherwood Forest exchanges and the Brooklyn Park, Linthicum, Glen Burnie, Severn and Severna Park zones.
Silver Run	B,B1	Hampstead, Littlestown, Pa., Silver Run, Taneytown and Westminster.
Silver Spring Zone	A,A2	All zones of the WMEA and the Ashton, Columbia, Damascus, Gaithersburg and Laurel exchanges
Smith Island	B,B1	Crisfield, Deal Island, Princess Anne and Smith Island.
Smithsburg	B,B1	Hagerstown, Highfield, Myersville and Smithsburg.
Snow Hill	B,B2	Berlin, Bishopville, Ocean City, Pocomoke, Princess Anne, Salisbury, Snow Hill and Willards.
Solomons	B,B1	Lexington Park - Great Mills, North Beach, Prince Frederick and Solomons.
Sparks-Glencoe	A,A1	Hampstead, Jarrettsville, Parkton, Sparks-Glencoe and Worthington exchanges, and the Baltimore, Cockeysville, Fork, Parkville, Reisterstown and Towson zones.
Sparrows Point Zone	A,A1	All zones of the BMEA and the Edgewood exchange.
Stevensville	B,B1	Centreville, Easton, Queenstown, Rook Hall, St. Michaels and Stevensville.
Still Pond	B,B1	Cecilton, Chestertown, Galena, Millington and Still Pond.
Sudlersville	B,B1	Centreville, Chestertown, Church Hill, Greensboro, Millington and Sudlersville.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc

Section 2
Original Page 17

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Sykesville	A,A1	Glenwood, Mt. Airy, New Windsor, Sykesville and Westminster exchanges, and the Arbutus, Baltimore, Brooklyn Park-Linthicum, Catonsville, Cockeysville, Elkridge, Ellicott City, Glen Burnie, Pikesville, Randallstown, Reisterstown, Towson and Woodlawn zones.
Taneytown	B,B1	Silver Run, Taneytown, Union Bridge and Westminster.
Thurmont	B,B2	Emmitsburg, Frederick, Highfield, Myersville, Thurmont and Walkersville.
Tilghman	B,B1	Cambridge, Easton, St. Michaels and Tilghman.
Tompkinsville	B,B2	Hughesville, La Plata, Leonardtown, Mechanicsville, Tompkinsville and Waldorf.
Towson Zone	A,A1	All zones of the BMEA and the Bel Air, Columbia, Edgewood, Fallston, Hampstead, Jarrettsville, Parkton, Sparks-Glencoe, Sykeeville, Westminster and Worthington exchanges.
Trappe	B,B1	Cambridge, Easton, Hurlock, Oxford, Preston and Trappe.
Union Bridge	B,B2	Frederick, New Windsor, Taneytown, Union Bridge and Westminster.
Vienna	B,B1	Cambridge, Deal Island, Hurlock, Nanticoke, Salisbury, Sharptown, Vienna and Wingate.
Waldorf	B,B2	Brandywine, Hughesville, Indian Head, La Plata, Nanjemoy, Tompkinsville and Waldorf exchanges, and the Capitol Heights, Clinton and Oxon Hill zones.
Walkersville	B,B1	Frederick, Thurmont and Walkersville.
Warwick	B,B1	Cecilton, Chesapeake City, Elkton, Galena, Middletown, Del., Millington and Warwick.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 18

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

4. Exchange and Zone Rate Groups and Exchange Areas (Cont'd)

<u>Exchange or Zone</u>	<u>Rate Group</u>	<u>Exchange and Zones Included in Exchange Area</u>
Waterloo Zone	A,A1	All zones of the BMEA, and the Columbia, Laurel, Millersville and Odenton exchanges. In addition, telephone services bearing the central office designations 301-206, 369, 419, 886 and 953 of the Berwyn zone are also included in the exchange area of customers with telephone services bearing the central office designations 410-724, 792, 797, 813, 862 and 880 of the Waterloo zone.
westernport	B,B2	Bittinger, Cumberland, Keyser, W. Va., Kitzmiller, Lonaconing, McCool, Oakland, Piedmont, W. Va., and Westernport.
Westminster	B,B2	Hampstead, New Windsor, Silver Run, Sykesville, Taneytown, Union Bridge, Westminster and Worthington exchanges, and the Pikesville, Reisterstown and Towson zones.
West River	A,A1	Annapolis, Crofton, North Beach and West River exchanges and the Bowie-Glenn Dale, Capitol Heights, Hyattsville and Marlboro zones.
Willards	B,B2	Berlin, Bishopville, Delmar, Ocean City, Salisbury, Snow Hill and Willards.
Williamsport	B,B1	Clear Spring, Hagerstown, Palling Waters, W.Va., Keedysville and Williamsport.
Wingate	B,B1	Cambridge, Vienna and Wingate
Woodlawn Zone	A,A1	All zones of the BMEA and the Columbia, Glenwood and Sykesville exchanges.
Worthington	A,A1	Hampstead, Sparks-Glencoe, Westminster and Worthington exchanges, and the Baltimore, Cockeysville, Pikesville, Randallstown, Reisterstown and Towson zones.

5. Local Service Provider Freeze

Verizon MD will make available a local service provider freeze to all residence and business customers on a nondiscriminatory basis at no charge to the end user. This freeze prevents a change in the end user's local service provider unless the end user gives the carrier from whom the freeze was requested his or her express consent.

LOCAL EXCHANGE SERVICES TARIFF
F.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 19

LOCAL EXCHANGE SERVICE

B. REGULATIONS (Cont'd)

5. Local Service Provider Freeze (Cont'd)

End users may request a freeze on their local service provider as a means of protection from unauthorized changes. In establishing a freeze, carriers must follow the verification procedures for preferred carrier freezes of the Federal Communications Commission (FCC) (e.g., independent 3rd party verification, written letter of agency from customers, electronic authorization) and the Maryland Commission (if issued).

Verizon Maryland will accept a customer's written or oral authorization, including a three-way call with the customer, Verizon Maryland and the new local service provider selected by the customer, to lift a freeze previously imposed by the customer on his or her choice of local service provider. In accordance with federal regulations, when engaged in oral authorization to lift a local service provider freeze, Verizon Maryland must confirm appropriate customer identification data and the customer's intent to lift the freeze. Carriers will impose and lift the freeze in accordance with the then applicable provisions of the federal regulations, the current provisions of which appear at Title 47, Part 64 of the Code of Federal Regulations, 47 C.F.R. § 64.1190. Carriers must still follow the verification procedures of the FCC for changing preferred carriers (e.g., independent 3rd party verification, written letter of agency from customers, electronic authorization) and the Maryland Commission (if issued.)

C. RATES

1. Application of Rates

- a. The rates shown herein entitle the customer to local messages to all telephones bearing the designation of any central office of the exchanges and zones included as specified in the associated exchange area.

For message rate customers, one message unit applies for each local message to dial tone lines in the local service portion of the customer's exchange area.

For measured rate customers, calls will be billed on a per-minute basis for all calls within the local service portion of the customer's exchange area.

- b. The rates for dial tone lines and monthly usage options apply as specified in C.2.
- c. Charges for monthly usage options apply in addition to the charges for dial tone lines.
- d. Residence Rates

- (1) Dial tone lines are available only in conjunction with a local calling service monthly usage option except for economy lines.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C. - Md. - No. 202

Verizon Maryland Inc

Section 2
Original Page 20

LOCAL EXCHANGE SERVICE

C. RATES (Cont'd)

1. Application of Rates (Cont'd)

d. Residence Rates (Cont'd)

(1) (Cont'd)

Individual Lines may use the Limited or Unlimited Monthly Usage Options.

Economy Lines may not subscribe to Monthly Usage Options. Economy Lines are not offered on a foreign exchange or foreign zone basis, nor are such lines provided with other exchange service to the same customer on the same premises.

- (2) Monthly usage options provide for local calling privileges on a monthly basis to dial tone lines in the customer's exchange area as follows.

Local Calling Service

Unlimited Usage - No limit on the number of calls to the local service portion of the customer's exchange area for a flat rate.

Limited Usage - A limited amount (Allowance) of message rate or measured rate calling, as appropriate, to the local service portion of the customer's exchange area. For all calling over the allowance, additional rates per call apply.

e. Business Rates

Dial tone lines are available with either message rate or measured rate service, with no local calling service monthly usage options available.

f. Determination of Rate Classes

- (1) Each exchange or zone is assigned to a rate class for the application of exchange service rates according to the number of weighted main stations in its exchange area. These rate classes are arranged in the Rate Schedule as shown in 2. following.
- (2) The weighted main stations in an exchange area are computed by multiplying the total number of main stations in each exchange or zone within the local service portion of the exchange area by the appropriate distance factor.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 21

LOCAL EXCHANGE SERVICE

C. RATES (Cont'd)

1. Application of Rates (Cont'd)

f. Determination of Rate Classes (Cont'd)

- (3) Distance factors are based on airline miles between the rate center of an exchange or zone and the rate center of each of the exchanges or zones in the local service portion of its exchange area, as indicated below:

Airline Miles Between the Rate Center
of Exchanges or Zone

<u>Over</u>	<u>Up To and Including</u>	<u>Distance Factor</u>
0	9	1
9	17	2
17	23	3
23	29	4
29	35	5
35	40	6

- (4) When the Telephone Company proposes to change an exchange from one rate class to another because of an increase or decrease in the total number of weighted main stations, notice of the reclassification exchange to the proper rate class shall be given by filing revised tariffs with the Public Service Commission in accordance with the rules and regulations of the Public Service Commission and the laws of the State of Maryland. Such revised tariffs will be filed only when an exchange has exceeded or fallen below its rate class limitation by 5% as determined on two consecutive semi-annual reviews or when an additional exchange is added to the exchange area of an exchange, and the number of weighted main stations in the local service portion of the new exchange area exceeds the upper limit of the rate class.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 22

Material formerly found on this page now appears in the Optional Calling Plans
Tariff, Section 4.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc

Section 2
Original Page 23

LOCAL EXCHANGE SERVICE

C. RATES (Cont'd)

2. Rate Schedule

a. Rate Group A Exchanges with 650,001 or More Weighted Main Stations

(1) Residence, per line

(a) Dial Tone Lines	Per Month
Individual Line	\$ 6.11
Economy Line (I)	5.92

(b) Monthly Usage Options

Local Calling Service

Unlimited Usage, Flat Rate

Individual Line

Rate effective through March 31, 1998

A1 10.40

A2 10.90

Rate effective April 1, 1998

A1 10.15

A2 10.65

Limited usage, Message or Measured Rate (111

Individual Line

A1 3.41

A2 3.61

(2) Business, per line

Dial Tone Lines

Individual Line or PBX Trunk

For STS Providers, and their STS Patrons 13.34

For other than STS Providers 13.34

For explanation of Roman numerals in parenthesis, see Page 26 (Note) following.

Note: Rate Group A1 exchanges are those with 650,001 to 2,500,000 weighted main stations.

Rate Group A2 exchanges are those with 2,500,001 or more weighted main stations.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 24

LOCAL EXCHANGE SERVICE

C. RATES (Cont'd)

2. Rate Schedule (Cont'd)

	Per Month
b. Rate Group B Exchanges with up to 650,000 Weighted Main Stations	
(1) Residence, per line	
(a) Dial Tone Lines	
Individual Line	\$ 7.96
Economy Line (I)	5.92
(b) Monthly Usage Options	
Local Calling Service	
Unlimited Usage, Flat Rate	
Individual Line	
Rate effective through March 31, 1998	
B1	7.28
B2	7.78
Rate effective April 1, 1998	
B1	7.05
B2	7.55
Limited Usage, Message or Measured Rate (II)	
Individual Line	
B1	3.01
B2	3.21

For explanation of Roman numerals in parenthesis, see Page 26 (Note) following.

Note: Rate Group B1 exchanges are those with 1 to 100,000 weighted main stations.

Rate Group B2 exchanges are those with 100,001 to 650,000 weighted main stations.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc.

Section 2
Original Page 25

LOCAL EXCHANGE SERVICE

C. RATES (Cont'd)

2. Rate Schedule (Cont'd)

b. (Cont'd)

(2) Business, per line

Dial Tone Lines

Individual Line or PBX Trunk

For STS Providers, and their STS Patrons \$15.76

For other than STS Providers 15.76

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc

Section 2
Original Page 26

LOCAL EXCHANGE SERVICE

C. RATES (Cont'd)

2. Rate Schedule (Cont'd)

<u>Note</u>	<u>Explanation</u>
(I)	Not available with Monthly Usage Options.
(II)	Residence Limited Monthly Usage Option Allowance, per month, per individual line
	Message Rate 65 message units
	Message Rate \$5.85

3. Usage Charges'

- a. Message Rate Usage Charges, for all calls from Dial Tone Lines without a monthly usage option, and for Calls over the Allowance from Dial Tone Lines with a Limited Monthly Usage Option.

Per Message Unit

Residence	
Rate effective through March 31, 1998	\$.085
Rate effective April 1, 1998	\$.080
Business	
Rate effective through March 31, 1998	\$.093
Rate effective April 1, 1998	\$.091

- b. Pay Telephone Usage Charges for end users, each local call except where otherwise specified for Audiotex Service and for local calls originating from pay phones made through a Telecommunications Relay Service (TRS) which are free of charge. . \$.25#

* Not applicable for calls to Audiotex Service, except as specified in b. following for end user local calls made from pay telephones.

Per the FCC's **Order** on Reconsideration in CC Docket Nos. 96-128 and 91-35, released November 8, 1996, at paragraph 6, this rate will be in effect until October 7, 1997.

LOCAL EXCHANGE SERVICES TARIFF
P.S.C.-Md.-No. 202

Verizon Maryland Inc

Section 2
Original Page 27

LOCAL EXCHANGE SERVICE

C. RATES (Cont'd)

3. Usage Charges' (Cont'd)

- c. Message Rate Usage Charges, for all calls from Dial Tone Lines without a monthly usage option, and for Calls over the Allowance from Dial Tone Lines with a Limited Monthly Usage Option.

Per Message

Residence

First minute or fraction thereof

Rate effective through March 31, 1998 \$.034

Rate effective April 1, 1998 \$.030

Each additional minute or fraction thereof

Rate effective through March 31, 1998 \$.013

Rate effective April 1, 1998 \$.010

Business

First minute or fraction thereof

Rate effective through March 31, 1998 \$.034

Rate effective April 1, 1998 \$.031

Each additional minute or fraction thereof

\$.013

4. In the Rate Group column, the first letter denotes the Rate Class for the Residence and Business Dial Tone lines. The letter/number combination denotes the appropriate Residence usage option.

* Not applicable for calls to Audiotex Service, except as specified in b. following for end user local calls made from pay telephones.

Residence customers who have been certified to the Telephone Company as having a hearing or speech impairment which requires them to communicate over telephone facilities by means other than voice and who use Data Transmitting and Receiving Terminals of speeds of 110 bauds or less, will be charged at 50 percent of the charges shown for Measured Rate Service messages.